

MACRA Request for Information



MIPS

APMs

PFPMs

October 15, 2015

The MACRA: Background

- The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)
- Signed into law April 16, 2015
- Repeals the Sustainable Growth Rate Formula, which linked Medicare annual payment adjustment for physician services to GDP growth.

The MACRA: Content Overview

- Physician Fee Schedule (PFS) updates
- Merit-based Incentive Payment System (MIPS)
- Incentive payments for participation in Alternative Payment Models (APMs)
- Technical Advisory Committee for assessing Physician Focused Payment Model proposals

New Methods of Payment

- Merit-based Incentive Payment System (MIPS) includes consolidated aspects of the Physician Quality Reporting System (PQRS), the Value-Based Payment Modifier (VM), and the Medicare Electronic Health Records (EHR) Incentive Program (referred to often as the Meaningful Use (MU) program).
- Incentive payments for certain eligible professionals (EPs) who participate in Alternative Payment Models (APMs) and by encouraging the creation of physician-focused payment models (PFPMs).
- Higher update rate for “qualifying APM participants” beginning in 2026.

Schedule and Paths for EPs

- EPs can participate in MIPS or meet requirements to be a qualifying APM participant (QP).
- EPs in MIPS can receive a positive, negative or neutral payment adjustment.
- EPs who are determined to be QPs for a year will be excluded from MIPS and receive a 5 percent lump sum incentive payment for that year.
- MIPS payment adjustments and APM incentive payments will begin in 2019.
- The APM incentive payment will be available from 2019 through 2024. Beginning in 2026, services furnished by QPs will receive a 0.75% fee schedule update, and all other services will receive a 0.25% fee schedule update.

MIPS: Background

- Composite Performance Score incorporates MIPS EP performance on
 - Quality
 - Resource Use
 - Clinical Practice Improvement Activities
 - meaningful use of certified electronic health record technology
- Based on the Composite Performance Score, MIPS EPs may receive an upward payment adjustment, a downward payment adjustment, or no payment adjustment.
- The maximum payment adjustment amount starts at 4% in 2019 and incrementally increases to 9% in 2022 and subsequent years.
- Generally the positive payment adjustments must be balanced and scaled in such a manner that the program is budget neutral.
- For 2019 to 2024, there will also be an additional payment adjustment given to the highest MIPS performers for exceptional performance.

MIPS: Topics in RFI

In the RFI, CMS seeks public comment on questions related to the following topics:

- MIPS EP Identifier and Exclusions
- Virtual Groups
- Quality Performance Category
- Resource Use Performance Category
- Clinical Practice Improvement Activities Performance Category
- Meaningful Use of Certified EHR Technology Performance Category
- Other measures
- Development of Performance Standards
- Flexibility in Weighting Performance Categories
- MIPS Composite Performance Score and Performance Threshold
- Public Reporting (mandated by statute)
- Feedback Reports

Technical Assistance to Small Practices and Practices in Health Professional Shortage Areas

- The RFI also asks for public comment on technical assistance to MIPS EPs in small practices and practices in health professional shortage areas (HPSAs).
- The MACRA requires the Secretary to enter into contracts or agreements with appropriate entities , such as
 - quality improvement organizations, regional extension centers, or regional health collaboratives
- These entities will offer guidance and assistance to MIPS EPs with respect to the MIPS performance categories or in transitioning to the implementation of, and participation in, an APM.
 - practices of 15 or fewer
 - priority given to practices in rural areas, HPSAs, and medically underserved areas, and practices with low composite scores}

APMs: Background

- A Medicare **APM** is:
 - A CMMI model under section 1115A (other than a Health Care Innovation Award);
 - Medicare Shared Savings Program (MSSP);
 - A demonstration under the Health Care Quality Demonstration Program; or
 - A demonstration required by Federal law.
- **Eligible alternative payment entity (EAPM entity)** means, with respect to a year, an entity that:
 - participates in an APM that requires participants to use certified EHR technology and provides for payment based on quality measures comparable to those in MIPS; and
 - either bears more than nominal financial risk for monetary losses under the APM or is a medical home expanded under CMS Innovation Center authority.

APMs: Topics in RFI

In the RFI, CMS seeks public comment on questions related to the following topics:

- EAPM Entity Requirements
 - Quality Measures
 - Use of Certified EHR Technology
 - Nominal Financial Risk

QPs: Background 1

- EPs determined to be QPs will qualify for incentive payments.
 - 5% lump sum payment based on the estimated aggregate payment amounts for Part B covered professional services for the preceding year.
- Partial qualifying APM participant (partial QP)
 - An EP who does not meet the thresholds established for a QP but meets slightly reduced thresholds.
 - Do not receive the 5% APM incentive payment, but they can choose whether or not to participate in MIPS.

QPs: Background 2

- EPs must meet certain thresholds to be QPs.
 - 2019 and 2020, 25% of payments or patients through an eligible alternative payment entity.
 - 2021 and 2022, 50% of payments or patients through an eligible alternative payment entity, or through a combination of an eligible alternative payment entity and certain other payer arrangements (all-payer arrangements).
 - 2023 and later, EPs must have 75% of payments or patients through an eligible alternative payment entity or through a combination of an eligible alternative payment entity and all-payer arrangements.
- All-payer arrangements
 - At least 25% of Medicare payments for covered professional services or patients through an eligible alternative payment entity
 - Remaining % for threshold through other payer arrangements that meet certain requirements similar to those for eligible alternative payment entities.

QPs: Topics in RFI

In the RFI, CMS seeks public comment on questions related to the following topics:

- Qualifying APM Participants and Partial Qualifying APM Participants.
- Payment Incentive for Participation in an EAPM Entity.
- Patient Count Approach for QP calculation.
- Medicaid Medical Homes or other APMs Available under State Medicaid Programs.

PFPMs: Background

- Stakeholders can propose PFPMs to a Technical Advisory Committee (“the Committee”) that will review, comment on, and provide recommendations to the Secretary.
- The Secretary will review the Committee’s comments and recommendations on proposed PFPMs and respond to comments and recommendations on the CMS website.
- The MACRA requires the Secretary to establish criteria for PFPMs through rulemaking before November 1, 2016, including models for specialist physicians, which could be used by the Committee for making comments and recommendations.

PFPMS and CMS

- CMS will review recommendations from the Committee and responses from the Secretary and may choose to test PFPMS proposed by stakeholders, or similar PFPMS inspired by those proposed by stakeholders. However, CMS is not required under MACRA to test any models that are recommended by the Committee or the Secretary.
- CMS Innovation Center criteria for all models:
 - The CMS Innovation Center has an established process for assessing proposals for new payment and service delivery models. The Innovation Center considers several factors in its assessment of new model proposals.
 - Factors can be found here (<http://innovation.cms.gov/Files/x/rfi-websitepreamble.pdf>)

PFPMs: Topics in RFI

In the RFI, CMS seeks public comment on questions related to the following topics:

- Definition of PFPM.
- Criteria for PFPMs.

RFI Schedule and Rulemaking

- Comments due November 17
- CMS will be considering feedback from the RFI in developing future proposals
- Link to CMS MACRA MIPS/APM page:
<http://go.cms.gov/1LHY4Fg>
- Link to RFI: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2015-24906.pdf>

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MACRA Request for Information: MIPS, APMs, PFPMs

Questions???

Thank you for your continued commitment to improving our nation's health care delivery system.